(d)if so, to what extent, India would be able to invest in the above mentioned fields in Thailand; and

(e) whether any agreement has been signed between the two countries?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.KS. ELANGOVAN): (a) to (e) India and Thailand have signed a Framework Agreement for Establishing Free Trade Area on 9th October, 2003 in Bangkok, Thailand. The Framework Agreement provides for negotiations for tariff reductions/elimination in order to establish India—Thailand Free Trade Area (FTA) covering trade in goods by 2010. The key elements for the Framework Agreement cover FTA in goods, services and investment and identified areas of Economic Cooperation. The Framework Agreement also provides for an Early Harvest Scheme (EHS) under which a common list of items has been agreed for elimination of tariffs on a fast track basis. The key elements are the subject of ongoing negotiations and have not been implemented as yet The proposed establishment of a Free TradeArea between India and Thailand is expected to promote bilateral trade and investment flows. This would depend on the complementarities and comparative advantages of various industries. Invariably, investment decisions are influenced not just by the changes in tariffs but also by other factors such as the cost and availability of raw materials, skilled manpower and infrastructural facilities.

Patent Amendment Bill

1166. SHRI RAMA MUNI REDDY SIRIGIREDDY:

SHRI K. RAMA MOHANA RAO:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that Government have drafted the Patents Amendment Bill;

(b) whether it is designed to meet Trade related intellectual property obligation of extending product patents to pharma and agro-chemical sectors;

(c) if so, the details thereof; and

(d) what steps Government are taking, through amending Bill, to simplify processing of the applications?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) to (d) In terms of India's obligation under the agreement on Trade Related Aspects of

Intellectual Property Rights (TRIPs Agreement), the Patents Act, 1970 is required to be amended to introduce product patent protection for inventions in the fields of food, chemicals and pharmaceuticals in addition to the existing process patent protection. India has time till 1.1.2005 to do so. A Bill, namely, the Patents (Amendment) Bill, 2003 to amend the Patents Act was introduced in Lok Sabha on 22.12.2003. This Bill contained also several measures aimed at simplification of processing of patent applications. With the dissolution of Thirteenth Lok Sabha, the said Bill has lapsed.

Fall in industrial growth

1167. DR. T SUBBARAMI REDDY:

SHRI MOOLCHAND MEENA:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the industrial growth slipped to 6.2 per cent in May, 2004 which is slower as compared to 6.4 per cent growth in the same month last year

(b) if so, the reasons for slow growth in the industrial sector; and

(c) the steps being taken to improve the industrial growth in future?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.VK.S. ELANGOVAN): (a) Yes, Sir. As per 'Quick Estimates' data of Index of Industrial Production (IIP), with base year 1993-94=100, released (on 12th July, 2004) by the Central Statistical Organisation (CSO), the overall growth in the industrial sector was 6.2 per cent in May, 2004 as compared to 6.4 percent in May, 2003.

(b) Disaggregated sectoral data show that the lower overall industrial growth in May, 2004 is attributed to lower growth in electricity generation of 3.6 per cent in May, 2004 as compared to 5.2 per cent in May, 2003. However, output in mining and manufacturing sector posted an increase of 4.9 per cent and 6.7 per cent in May, 2004 as compared to 4.7 per cent and 6.7 per cent respectively in May, 2003.

(c) Government has put in place various policies to promote industrial growth. These include delicensing of industrial capacity, liberalisation of foreign trade regime and rationalisation of duty/tax rates in case of customs, excise and corporate taxation. Further, Union Budget for 2004-05 has made number